

JPRS-WER-84-082

5 July 1984

West Europe Report

FBIS

FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

5 July 1984

WEST EUROPE REPORT

CONTENTS

POLITICAL

CYPRUS

- Kohen on Emerging TRNC Political Legitimacy
(Sami Kohen; MILLIYET, 7 Jun 84)..... 1

FRANCE

- Mitterrand Foreign Policy Inconsistencies, Errors in EEC
(Jean-Francois-Poncet; POLITIQUE INTERNATIONALE,
Spring 84)..... 4

GREECE

- PASOK, ND Vie To Conquer Centrist Vote
(Filippos G. Vasileiou; ANDI, 8 Jun 84)..... 12
- PASOK Left Wing Seen Gaining Upper Hand
(Nikos Nikolaou; I KATHIMERINI, 10-11 Jun 84)..... 16
- Reasons for Undecided Voters
(Kyr. Khinas, M. Toumasis; POLITIKA THEMATA,
8-14 Jun 84)..... 19
- Briefs
Agreement With CSSR on Refugees..... 20

TURKEY

- Arcayurek Urges Quick End to Political Inquests
(Cuneyt Arcayurek; MILLIYET, 7 Jun 84)..... 21

Ilicak Assails Ozal Offer of False Hope (Editorial, Nazli Ilicak; TERCUMAN, 7 Jun 84).....	23
Mumcu Warns of Political Options That Sow Division (Ugur Mumcu; CUMHURIYET, 7 Jun 84).....	25
SODEP's Inonu on Criteria for 'New Government' (CUMHURIYET, 7 Jun 84).....	28

MILITARY

TURKEY

Yavuzturk on Armed Forces, Defense Policy, Industry (Zeki Yavuzturk Interview; MILLIYET, 31 May 84).....	30
---	----

ECONOMIC

TURKEY

Ilicak Counsels Alternative Policy as Safety Net (Editorial, Nazli Ilicak; TERCUMAN, 3 Jun 84).....	33
Ilicak, Token Assess Impact of Export Policy Failure (Nazli Ilicak; TERCUMAN, 29, 30 May 84).....	35
Move To Put 'SEE' Raw Material Prices Under State Control (Yucel Gurtekin; DUNYA, 7 Jun 84).....	39
Anti-Inflation Given Top Priority in 1985 Budget (Editorial; DUNYA, 7 Jun 84).....	42
Ozarslan Launches Scathing Attack on Market Economy (Sadik Ozarslan; MILLI GAZETE, 3 Jun 84).....	44

KOHEN ON EMERGING TRNC POLITICAL LEGITIMACY

Istanbul MILLIYET in Turkish 7 Jun 84 p 2

["World View" column by Sami Kohen: "The More Antagonistic They Get"]

[Text] Recently there have been some interesting developments in connection with Cyprus, which our press has, for some reason, ignored. For example, the joint communique issued following AKEL leader Papaioannou's contacts in Moscow has clarified the Soviet policy on Cyprus.

One interesting segment in the communique reads as follows:

"The declaration of the so-called Turkish Cypriot state is the result of imperialist activities which create flashpoints of conflict everywhere around the world and which are led by the United States. This move contravenes several UN General Assembly and Security Council resolutions and undermines efforts to find a just solution to the Cyprus problem."

Another segment of the communique states: "The Soviet Union opposes the division of the island and the dismemberment of the Cyprus Republic and supports an independent, nonaligned and territorially integral state which conforms with the wishes of its people and which is free of foreign military forces."

Finally, according to the communique, AKEL and the Communist Party of the Soviet Union favor the establishment of "cooperation and harmony among all democratic and patriotic forces to achieve these goals", demand the implementation of Resolution 550 of the UN Security Council and call for the convening of an international conference to seek a solution to the problem.

The communique issued in Moscow clearly states the posture of the Soviet Union--which has generally preferred to remain silent on the Cyprus issue and to cast an image of impartiality--with respect to the recent developments.

Three elements in this posture are significant.

Firstly, a stance has been taken explicitly against the Turkish Republic of North Cyprus [TRNC], and the declaration of independence is seen as an "imperialist" act supported by the United States.

Secondly, support has been expressed for the latest pro-Greek Cypriot Security Council resolution, and its implementation has been urged.

Thirdly, no reference has been made to the two communities living on the island, and only the "wishes of the people of the Cyprus Republic" has been mentioned.

To what extent does this indicate a change in Soviet policy? While keeping its fundamental position veiled, the Soviet government has so far skillfully used expressions--depending on who is visiting Moscow--which have pleased both the Turkish side and the Greek Cypriot side.

However, for some reason, this time the Soviets have gone beyond playing pleasant host to everyone and have endorsed a stance which clearly supports the Greek Cypriot position. Is it not true that seeing the TRNC as a product of imperialism, alleging that the TRNC is undermining efforts for a solution and calling for the implementation of a UN resolution which demands from the Turkish Cypriots to retract their independence decision run counter to the cautious or even silent policy Moscow has pursued so far?

The coming days will be fairly stormy on the Cyprus issue.

Dark clouds are once again gathering over the United Nations. Talks in connection with extending the stay of the UN peacekeeping force on the island by another 6 months beginning from 15 June will start in the Security Council next week.

This time it will not be so easy to take the customary decision. The Turkish Cypriot side wants the recognition of its political entity in order to permit the entry of UN soldiers into its territory and to agree to an extension of their stay. Greek Cypriots and their supporters in the Security Council will undoubtedly oppose this stance vigorously. They will once again pressure the Turkish Cypriots to compromise. However, this time the TRNC has a trump card in its hands: No matter how the Security Council votes, if the TRNC does not wish to permit the entry of UN soldiers into its territory, the peacekeeping force will have to be hosted by the Greek Cypriots alone.

Other developments that may cause storms are the ratification of the TRNC's constitution and [TRNC President] Denktas' first official visit to Ankara as a "head of state."

Next week, the constitution drafted by the Founding Assembly will be submitted to a "vox populi" according to a British procedure that is different from a referendum. Following approval, it will be published in the Official Gazette and will go into effect. After that a general election date will be set. Also next week, Denktas will begin his visit to Ankara.

These developments will undoubtedly give rise to a certain amount of reaction, particularly on the eve of the Security Council meeting, and will create an favorable environment for Greek Cypriot propaganda. However, what will these reactions and pro-Greek Cypriot statements and resolutions change? Would they not block the path to compromise as in the past? Is it not true that if the Turkish side is taking steps to consolidate the existence of the TRNC, it is doing so as a result of the the Greek Cypriots' stubborn refusal to resume the dialog?

The adoption of a new constitution for the TRNC, the setting of an election date and an official visit by its president to Ankara are all part of the natural workings of an independent state.

The Greek Cypriots and their supporters would prevent "worse surprises" if they would sit down and talk to the Turkish Cypriots rather than raising a clamor on this issue. The more antagonistic they get, the more they will find a community that will challenge them and a state that will be more strongly established.

9588

CSO: 3554/244

MITTERRAND FOREIGN POLICY INCONSISTENCIES, ERRORS IN EEC

Paris POLITIQUE INTERNATIONALE in French Spring 84 pp 47-57

[Article by Jean-Francois-Poncet, French minister of foreign affairs from November 1978 to May 1981: "Socialist Diplomacy on the Test Bench of Crises"]

[Text] Since May 1981, the opposition has exhibited an objectivity toward the government's foreign policy that is in singular contrast with the behavior of the Socialist and Communist parties when they themselves were seated on the opposition benches!

It approved the speech of the chief of state to the Bundestag and his positions on the Euromissiles. It agreed that Colonel Qadhdhafi's march toward Central Africa had to be halted. It did not criticize the principle of the sending of the French contingent to Lebanon. It took pleasure in observing that relations between Paris and Bonn are intact.

But this reserve does not mean that the opposition is applauding the foreign policy conducted by the president, or that there is any consensus on it, as the government occasionally seeks to demonstrate.

It is not that such a consensus is unimaginable; on the contrary. In the troubled and dangerous times the country is going through, it would be desirable for such a consensus to exist. But the foreign policy would first have to sweep along support and we are far from that.

This is true of the past action of the government, but it also reflects the uncertainties and dangers of its policy for the near future.

Like any human undertaking, foreign policy is judged by its results, the problems it solves, the progress it makes, the record it leaves in history.

The preceding seven-year term, whose heritage is frequently criticized, in a few years' time created the European Council, the annual summit conferences of the seven major industrialized countries and the European monetary system. It had the Strasbourg Assembly elected by universal suffrage. It renewed debate on disarmament, formulating proposals that led to the meeting, in Stockholm, of a conference that is currently the only forum in which the East and the West discuss that essential subject. It institutionalized and broadened the French-African summit conferences. It drafted and implemented a new policy of the

nonproliferation of nuclear weapons. It practically did away with monetary compensation and provided for a mechanisms permitting their dismantling if they should reappear. It negotiated an agreement with Algeria providing for the voluntary return of 30,000 workers a year. It defended the integrity of Mauritania and that of Zaire.

The new majority has been in power for three years. It is "halfway home," as Marchais would said. And yet, in vain would one seek results to which its diplomacy might point, a situation it has mastered, events on which it has left its mark.

In his speech upon taking office, Mauroy announced that he would make France's foreign policy the luster it had supposedly lost. One must at least give him credit for the fact that there has been no dearth of measures and proposals. Indeed, the French have not been disappointed in terms of numbers! But the measures and proposals all experienced the same fate. The European social space was to relaunch the Community; it faded away. The French-Egyptian resolution has been shelved. The technological speech at Versailles had no more success than the conference by the same name. The Cancun discourse left only Jack Lang with memories and however much one scrutinizes the horizon, one does not see the slightest progress in the North-South dialogue. The French-Mexican declaration has remained a dead letter. The president's proposal concerning a new Bretton Woods still echoes in the foreign ministries, but they are still awaiting any move aimed at carrying it out.

What the government has done best since May 1981 is make new starts. What one cannot see, on the other hand, is results. It has laid many corner stones, but instead of the promised edifices, there are only abandoned work sites. Its moves are not only forgotten by most people; it gives the impression that it does not remember them itself!

In the beginning, one may have believed that so many stillborn projects, so many proposals without any morrow, mainly expressed the meagerness of France's means and were but the international reflection of the deterioration of its economic and financial position. It is quite clear that a country cannot live on credit without hurting its credit, that it cannot go into debt without losing part of its freedom, that it cannot devalue its currency without devaluing itself.

However, it is now apparent that the malady goes deeper than that. That which characterizes France's foreign relations is not only their impotence, but their incoherence. The latter explains the former.

The reproach is perhaps surprising, addressed to a government that deliberately boasts of speaking a single language and of saying the same thing to everyone. The problem is that the language is always the same only because it is always double.

The ideology still remains the obsession and refuge of the socialist-communist majority, an ideology which, in foreign policy, is not lacking in generosity

because it claimed to make France the older sister of the Third World, an exemplary country because of the reduction in arms sales and its ardor in favor of disarmament.

But the hard facts forced the government to turn its back on most of these militant aspirations, without ever giving them up completely. It goes back to them in word or deed whenever circumstances so permit. Consequently, socialist diplomacy is perpetually on shaky ground with respect to what it proclaims and what it does, its inclinations and the circumstances to which it yields.

The following are a few examples:

The SOCIALISTE PROJET criticized Valéry Giscard d'Estaing for having in Africa "a peculiar taste for supporting backward regimes, even the most barbarian among them, always the most corrupt. In every one of those countries, in almost every aspect of our relations, France's honor and interest would command the opposite policy." Today, the pride of the Socialist Government -- but not necessarily that of its entire majority -- is that of having firmly supported those same regimes and having taken over the fine heritage of the French-African summit meetings. What is more, it has more men in arms on the continent than at any time since the war in Algeria.

Today, France's arms sales are beating all records. An aggressive and effective trade policy bordering on imprudence has led it to supply all hotbeds of instability or war and nearly all regimes: the Argentina of the rightist generals, the Nicaragua of the leftist extremists and, as everyone knows, Iraq at war. How far we have come from the time when the president ordered the weapons equipping our fighter aircraft to be concealed from his sight!

Today, after three years, the only new idea proposed by the government in the field of disarmament is an idea with which Edgar Faure is very familiar, having launched it himself nearly 30 years ago: the transfer of part of the military allocations to development.

If I bring these things to mind, it is naturally not for the purpose of deploring the socialist about face, but rather, to shed light on the internal contradictions which, since 10 May 1981, have weakened French diplomacy.

These uncertainties, this vagueness, were of little consequences during the first two years of the seven-year term, but the case could be quite different in the times ahead. By sending troops to Chad and Lebanon, the president gave a new dimension, content and character to his action. He demonstrated courage and resolution. But the risks taken are high. France's soldiers and prestige were engaged at exposed nerve-centers of the world, where the absence of a clear and coherent approach will sooner or later have grave consequences. Furthermore, socialist diplomacy, following the failure of the Athens summit conference, is facing a crisis which it is up to France, the initiator of European construction and serving as president during the first six months of 1984, to solve.

In Chad, the government claims that the French Army is defending the independence and integrity of a country to which we have commitments. That should and could have been the result of our intervention. But by acting with hesitation and delay, by publicly preventing our troops from engaging in any operation moving north, meaning any pressure on Libya, the government does not guarantee, as it claims, the integrity of Chad, but its division, not its unity, but its dismantling. One may well wonder whether that unfortunate country, which one claimed to be protecting from the East-West confrontation, will not join Germany and Korea in the sad cohort of those divided -- or crucified -- by history. In other times, with far fewer means but much more determination, France saved Mauritania and protected Zaire.

One has all the more cause to worry because Libya has strengthened its military structure since last summer, because it has no advantage to derive from the slightest concession and because France itself shifted to the OAU the responsibility of conducting the "reconciliation" talks between Chadians, in the name of a "noninterference" one may well question in connection with a country in whose affairs all manner of powers, neighbors and non-neighbors alike, happily meddle. In short, it is as if the adversaries of French influence in Chad and Africa were patiently waiting for France, out of weariness, to withdraw its troops on one pretext or another.

In Lebanon, France suffered the greatest human losses it has experienced since the independence of Algeria. After the attack on our contingent, opposition and majority united, as was fitting, in the same mourning. The president made the proper gesture in going to Beirut immediately. But our duty to those who tragically perished in the Beirut attack does not stop there. We have the obligation to their memory and their families to see that they did not die in vain and it is our duty to their comrades still in Beirut to see that a similar tragedy never happens again.

But after the withdrawal of the French contingent, one still wonders about the overall policy of which France's moves were supposedly a part and about the results it achieved.

Let us begin with the simplest question, that concerning the FINUL [UN Interim Forces]. Previous to May 1981, France had managed to have the United Nations send an international force to southern Lebanon. The presence of the FINUL had as its counterpart the withdrawal of Israeli forces behind the international border. Their mission was clear, if not easy: to oppose infiltration, whether from the north moving south or from the south moving north. But the Israeli Army is once again occupying Lebanon as far as Saida. Not only did the barrier not do its job, but it has no more purpose. The mission of the FINUL, which include 1,000 French soldiers of whom there is apparently no question of bringing home, has therefore lost its initial justification for over a year. Has it found another? What is it? Whom are the FINUL supposed to protect, against whom and on behalf of whom?

To my knowledge, there is no answer to these questions. But France, far from reducing its FINUL contingent or withdrawing it, has increased it with the transfer of part of the men (500) stationed in Beirut. No decision could have

pointed up the government's difficult position more clearly, the confusion characterizing its policy, the impasse into which, for lack of foresight, it has plunged France.

The reflex that caused it not to remain passive at the time of the invasion Lebanon by Israel and the siege of Beirut was comprehensible and just. The old, deep bonds linking France with Lebanon exclude indifference. But one should have measured the risks run and take the necessary precautions, especially by defining precisely the conditions for the commitment of French troops in Beirut.

The mandate by virtue of which the multinational force was put in place was the subject of an agreement worked out between Habib, representing the United States, and the Lebanese Government, an agreement which France had to accept without being able to debate it.

It has been confirmed that the multinational force had the mission of restoring peace by reconciliation and seconding the authority of the Lebanese Government. Was this not a substitution of the convenience of fiction for harsh facts, the formulation of slogans instead of the definition of a policy?

The concern is all the more justified because France, which had the largest contingents in Lebanon, played no role in the search for a political solution. Its soldiers, the government said, are soldiers of peace, but its diplomats remained absent from the scene. The government left it up to the United States alone to conduct the negotiations that led to the abortive agreement between Israel and Lebanon. At the First National Congress of Reconciliation held in Geneva at the end of September, there was a representative of President Reagan, Richard Fairbanks, but France's voice was not heard. Consequently, its soldiers acted as surrogates. France deployed troops, but it developed no policy. That is the sad conclusion one is forced to draw from that which, as time has passed, turned out to be an adventure.

In keeping the French contingent in Beirut, while the United States, Italy and England withdrew their forces, the government made a decision fraught with risk, but one that was courageous and dignified. However, it is not enough to turn the failure into a success.

The withdrawal of the French soldiers from Beirut confirms the failure of a policy whose purpose was to restore Lebanon's independence and unity. But the foreign occupation is becoming eternal, the Syrian tutelage is heavier than ever and the national reconciliation, if it ever comes about, will be on bases unfavorable to the West. In the West, it is in France that the failure will have the darkest consequences, not only because of the human losses, but because the moral authority it had won in the Middle East since De Gaulle is now greatly compromised.

The results obtained by socialist diplomacy are scarcely more satisfying in Europe.

At the beginning of 1984, four challenges faced Europe: the deterioration in East-West relations, the crisis of European integration, the German political malaise and finally, the economic and technological decline.

It is in the field of East-West relations that France's positions have been appreciated the most: Unlike his predecessor, did the president not publicly and courageously take a position in favor of the deployment of the Pershing and Cruise missiles? So be it. But this observation is not enough to make an overall judgment on the policy followed by France vis-a-vis the East. One must in fact consider the favors done for Cuba, the arms delivered to Nicaragua, the hastily pronounced condemnation of the United States after its intervention in Grenada. Above all, one must look at East-West relations in time and French-Soviet relations on the whole.

If the installation of the SS 20's responds, as one might fear, to political objectives and not merely to the technical concerns of the Soviet military hierarchy, one would have to wager that the USSR will not hasten to affix its signature to a document that would back the presence of new American weapons in Europe. Whether there results an open crisis between the East and the West or, more probably, a mixture of tension and discussion, it is obvious that the triangular negotiations between the United States, the USSR and Europe will enter a new delicate and decisive phase. One can therefore only deplore the casualness with which the government compromised the dialogue initiated by his predecessors with the USSR, allowing Germany a de facto monopoly over high-level contacts with Moscow. It is all the more regrettable because, under the cover of a firmness that is not to be criticized in itself, the government made a useless and dangerous concession to Moscow in the field of gas purchases and allowed the previously maintained balance of our commercial trade with the USSR to deteriorate dangerously.

The deployment of the Pershing and Cruise missiles will not mark the end of the troubles that have shaken the Federal Republic of Germany for three years, one can be sure. Peace movements have not succeeded in making the government back down, but their failure conceals a success: that represented by the at least partial rallying of Social Democrats to their positions. Will Willy Brandt's party recover its balance, as it seems to be doing, or will it soon question nuclear deterrence, the security policy and NATO itself, without speaking of the French deterrent force whose inclusion in East-West negotiations it could well demand, like the USSR? Time will tell.

What does appear certain is that the only way to halt a shift of the Federal Republic of Germany toward a kind of national neutralism is to radically strengthen the solidarity uniting European nations.

However, over the past three years, the European Community has gradually become mired down in confusion, impotence and, finally, crisis.

The reasons for the failure of the Athens and Brussels summit conferences go well beyond 10 May 1981, it is true. But the fact is that nothing serious had been done, until the beginning of the French presidency in January 1983, to halt a quite visible drift and stop Europe and France from sliding into the dangerous impasse in which they are now trapped.

And yet, the problems obstructing the EEC horizon are not unsolvable. Compromises have been outlined on almost all subjects: the British contribution, an increase in the 1-percent levy on the value-added tax, farm policy. The governments of the Ten measure the serious political stakes of a failure which they know would eventually cause the breakup of the Community. The conditions for an agreement have therefore existed for a long time. Unfortunately, the government and the president have let problems pile up and the situation grow worse. They have made four precise mistakes that to a great extent explain the failure of the Brussels summit, a failure that belongs to all Europe but for which the French presidency must unfortunately assume much responsibility.

The first mistake is that of not measuring to what extent time worked in favor of Mrs Thatcher. The Community is at the end of its resources and in order to provide new ones, London's agreement was necessary. Two billion ecus will be needed by 1984 to pay required expenses, mainly agricultural. The situation will be precarious by June and untenable by September. Mrs Thatcher suddenly has no more need for threats; she has but to wait. But since 10 May 1981, France has sought refuge in a dangerous wait-and-see attitude, camouflaged behind a facade of firmness. It is true that Francois Mitterrand accused his predecessor of "capitulating" to the demands of Mrs Thatcher and was bent upon showing that with a little firmness, one could save Europe, while withstanding the pretensions of Great Britain. On 21 December 1983, after the Athens failure, the Socialist Party went so far as to declare: "In May 1980, Giscard d'Estaing opted for a policy of letting go. Francois Mitterrand pits determination against that weakness, particularly with regard to the British contribution." In forcing the president to do better than his predecessor, the Socialist Party bound his hands and doomed him to the choice of sacrificing Europe in order to remain faithful to his claims or of sacrificing his claims to save Europe. Of course, responsibility for the failure of the Brussels summit conference mainly belongs to Mrs Thatcher, whose intransigence and narrow-mindedness know no bounds, but socialist diplomacy is far from exempt from criticism! Through its lack of foresight and because of its vanity, it prevented France from fulfilling the mission it has assumed since 1950, that of placing Europe on the path to its future. May the French presidency make the proper moves to overcome British obstruction before the end of June!

The second error also explaining the failure of Brussels is that of allowing the French-German consensus to slip away. Before 10 May, the FRG defended positions identical to those of France on all important problems concerning the future of the Community. It did so even when disagreements pitted the two countries against one another on points as difficult as compensatory payments in agriculture. Now France has allowed that agreement to deteriorate, to the point that on the central question: the British contribution, Bonn has developed a demand identical to that of Great Britain. The FRG is also demanding (and has obtained) to be "refunded part of its money." Henceforth, there is not one but two financial demands to be met and the Paris-Bonn axis around which the EEC revolved has lost part of its drive.

The third error consisted of allowing unresolved problems to pile up. In addition to the British contribution and agricultural policy, always linked, one

now has the application for membership of Spain and Portugal, which cannot be postponed forever. Consequently, all the concessions and sacrifices that must be imposed on French agriculture in order to make an agreement in Brussels possible appear to be so many that one wonders how a government challenged by so many social and professional categories, could assume responsibility for it.

The fourth mistake has to do with the calendar. It is during the first quarter of 1984 that the obstacles so imprudently allowed to grow in Brussels must be cleared away, lacking which the EEC, without funds and undermined by a long, drawn-out crisis and divergencies that go too deep, could well see the spectre of collapse loom on the horizon. This critical phase corresponds both to the term of the French president and the schedule of European elections. It is very difficult to imagine how such a combination of circumstances would create conditions favorable to the concessions that must be made on both sides, particularly by France. Francois Mitterrand's qualities as a political strategist are boasted. The least one can say is that they have so far not impressed the European scene.

Nor is it enough to get the EEC out of its mess. What public opinion expects goes far beyond this modest result. What it wants is for political Europe to take a leap forward in two areas: that of its institutions, which the entry of Spain and Portugal will finally paralyze, and that of new policies, which must be implemented immediately in the field of advanced technology and defense. Only through such progress can one hope to give Germany an answer to the questions it is asking. To tie the FRG to Europe, the latter must be given new effectiveness and substance. That must be the prime task of a lucid French diplomacy that is sure of itself.

Everything indicates that we have reached a cardinal turning point, one perhaps dangerous for the international situation. Wherever one turns, whether it be a question of Europe, the Middle East or East-West relations, the horizon is gloomy. Did the president of the republic himself not predice difficult times during his visit to Tunisia? This is a time when France must know what it wants and where it is going. The government is on the test bench of crises and has probably only begun the trials. Will it be equal to the challenge and protect both the honor and interests of the country? Whatever one's political affiliation, everyone hopes that it will succeed because the very future of France is at stake.

11,464

CSO: 3519/365

PASOK, ND VIE TO CONQUER CENTRIST VOTE

Athens ANDI in Greek 8 Jun 84 pp 16-17

[Article by Filippos G. Vasileiou]

[Excerpts] A ghost seems to be hovering over the electoral chart of Greece, the ghost of the Center. In fact, whereas already back in 1978 the Center had died as an independent political organization, in the elections of 1981 and 1984 its remnants have persistently aroused enthusiasm and its "values" have been referred to constantly.

What is happening then? Is it the case that the claiming of the "middle-class camp" and the Center by both the ND and PASOK shows that finally the political vacuum in Greece is in the centrist camp? In other words, is the Center the most persuasive premise in terms of holding power in Greece, so that this Center is claimed with such passion by the two parties which contend for and take turns holding this power?

The Downfall of the Center in Greece

The Center prospered in Greece mainly in the decades of the 1950's and 1960's. All the factors favored the centrist constellation: The polarization of the two extremes in the civil war, which was preserved with the policing system of the "victor." The fact that Greece entered into a course of capitalist development, the fruits of which--naturally--were not tasted by all in the same way. The lack of a political democracy, the aggravation of social problems, the historic and intensifying unresolved issue of the "system of government," and the inability of the Right to give solutions to fundamental problems of education, health, and democratization in a way seen as helping the common people transformed the Center at the beginning of the the 1960's decade into a powerful modernizing and reformist movement, which in reality was also voicing the immediate political demands of the Left.

Although the "Center Union"--a miscellany of the most dissimilar of figures having the most contradictory of attitudes--came into office in 1963-1964, it fell from power abruptly, since for a year and a half it had not expedited any of the things which it had promised as the prospective administration, aside from the educational reform.

The dictatorship and the things which happened during it proved to be fatal to all sorts of things, but especially to the Center. The social, ideological, and political about-faces and changes which the junta produced also transformed the political coordinates which had been defining the position of the body of the Center.

Thus, if we assume schematically that in the camp of the Center above all two currents coexisted: A typically middle-class current which had its beginnings in Venizelism and which used to clash with the Right mainly on issues of political democracy and "the rule of law," and another current, "further to the Left," with graftings coming from the EAM [National Liberation Front] and the struggles of 1-1-4, then we can say that in 1974 these two "currents" naturally sought out their two proper homes: The ND of Karamanlis and the PASOK of Papandreou.

Because, of course, in 1974 Karamanlis solved these outstanding problems in an unequivocal manner: In legalizing the Communist Party, in abolishing the emergency regime which in essence had been in effect for 30 years, in bringing to an end through a referendum the question of the system of government, and in espousing the policy of radical liberalism, he was filching away from the Center a substantial part of its political language--and reason for existing....

On the other hand, Papandreou and his socialist movement, which from the beginning took care to embrace eminent personages of the Center, extended in the other direction slogans and demands which also had been developed within the "Center Union." If Karamanlis was playing the card of political democracy in the direction of the Center, Papandreou drew to his side the card of "social justice."

Thus, the Center lost ground on both of its flanks: It heard its political manner of speaking coming from the mouth of Karamanlis, and it saw its social manifesto revamped and adapted to the new realities in the oratory of Papandreou.

Only the "holding of the line" seen in the first 1974 elections explains the retention of 20 percent of the votes by the EK-ND [Center Union-New Forces], while the 10 percent received in 1977 was the swan song of the traditional system of political patronage.

In other words, what we are arguing is that the disappearance of the Center is not due to any "satanic" schemes on the part of Karamanlis or Papandreou, as surviving centrist leaders have been bitterly asserting up to now. Rather, this was the natural downfall of a sector which was no longer able to justify its autonomous existence either socially or politically.

But the Center Lives

But whereas in 1981 the ND and PASOK seemed to have torn the Center to shreds at last, with PASOK of course taking the lion's share, the idle discussions about the Center were continued undiminished in the press and

in the party's maneuverings. The inclusion of personages from the Center on the national tickets of the two parties was considered to be an essential maneuver which was repeated on a much larger scale in 1984, in view of the Euro-elections.

Thus, how does it happen that the ND and PASOK are competing for the centrist camp?

The answer to this is largely beyond the scope and above all the capacities of this article. We will argue in broad terms that the makeup of Greek society demands of every governing party that if it does not have allies in the Center it must come up with such allies, or to put it another way: For the present, the governing of this country seems to require a centrist handling of power.

Aside from the KKE, no party in Greece has been able to clearly articulate a distinct thesis of holding power based on social considerations. Even the Right, which indisputably is the party of capital, has governed by relying on a peculiar sort of populism, where support from large-scale capital required a broad social coalition which has led to what we call a corporate social reality.

This is what transformed the Right, beyond a certain point, into a restraining factor on capitalist development, as the preserving of the social alliances with the countless small and medium-sized firms and the use of authority for this purpose have paralyzed the "modernization" initiatives.

For his part, Papandreou in playing the card of the "popular movement of Change"--that is, in not clarifying its social boundaries--has reaped the support of the protest groups, which of course did not want socialism, but rather wanted to be provided for in this world by way of a corresponding magical change in the environment, at no cost to themselves.

Thus, whereas the "hard core" of PASOK, its social composition and its cadre network might have led to its being counted as a working-class socialist party, at the same time what is erroneously subjoined to it as a kind of populism is actually nothing but its inability to govern on the basis of an organized program of socialist change, precisely in the same way that the Right has not been able to govern "openly" in terms of perfecting capitalism.

Because it is just this that collides with the hypertrophied intermediate classes, either of the guilds or of self-employed tradesmen, either of entrepreneurs or of those in the liberal professions--that is, of all those who either are unable to perceive their own social prospects as lying in "perfected" capitalism, or else are unable to incorporate their interests in any sort of socialism, and so they demand that the State provide equality of rights, health care, education, communications, a good environment, and so forth for "everybody." That is, they demand the famous "rule of law." And they do not mind if this very capitalistic rule goes about wearing a socialist cloak or the lion's skin of a certain "Change."

But the things that they demand and the way that they assert these demands translate very simply into a "centrist" policy. And it is not enough to merely pursue a policy; one must call it something as well. Hence the resurrection of the Center every time an electoral battle is imminent.

That is, we surmise that so long as the judgment of society is to not press for decisive choices, and so long as the governing of the country continues to result from parliamentary processes, the centrist policy will continue to win triumphant victories by way of the parties which theoretically have worked toward crushing it as a self-sufficient political organism.

Of course, when carried to its logical conclusion such a line of reasoning suggests that through certain processes either PASOK or the ND would be able to transform itself into a pure party of the Center. Without dwelling especially on this point, we would say that such a transformation is more attainable on the part of the ND than on the part of PASOK, which seemingly has the most "motives" for such a subsequent development.

But the problem does not lie there at all. In fact, perhaps the clarification of the political features of either PASOK or the ND in such a direction could have a salutary effect on the political life of the country.

The problem lies in that which seems to be the most likely: That is, that socialist PASOK and the ND of the Right will strive to modernize Greek capitalism by pursuing a "centrist" policy, both refraining from developing capitalism and also immobilizing socialist development, and thus condemn Greece forever to its stagnation of small and medium-sized businesses.

But this "is not possible," as Mavros would say as well. Or is it?

12114
CSO: 3521/265

PASOK LEFT WING SEEN GAINING UPPER HAND

Athens I KATHIMERINI in Greek 10-11 Jun 84 pp 1, 15

[Article by Nikos Nikolaou]

[Excerpts] A tougher economic policy and a more systematic and comprehensive attack on the private sector of the economy are expected by economic observers the day after the Euro-elections. At the same time, these observers stress that the subsequent march toward the national elections, which surely will not be long in coming, will take place under conditions of great political and also social tension.

This pessimistic prospect, which if fulfilled will be damaging above all to the standard of living of the population, is based firstly on the oppressive climate which is tending to set in within our political life because of the Euro-elections, and secondly on the assessment by the economic observers that if PASOK suffers serious losses this coming Sunday--something which is very likely--it will react impulsively, accelerating in the coming months the implementation of its "socialist" program, and this will lead to critical confrontations and bitter clashes with the business world, the small and medium-sized firms, and those in the liberal professions.

The Left Wing

In recent days, within the government and in the party the left wing has grown in strength--in particular the leader himself, Andr. G. Papandreou, who recently has been returning insistently to positions which show that he has decided definitely to embroil the nation in the misadventure of a third-world type of experiment, and to subject the economy to a para-Marxist model. And the various factional, parliamentary, and technocratic groups each of which is asserting for itself the right to take possession of the key posts and to have an influence on the leader, now have a presentiment that after 17 June the correlation of forces will change decisively as economic policy will harden, and a broad cabinet shake-up will have to take place for the purpose of advancing other persons to staff positions.

Already for certain leading officers in the government their fate is preordained, and Minister of National Economy Ger. Arsenis has never felt so insecure as now. The fact that this minister, who pretends to be

omnipotent, was not able last Thursday to hold a successful meeting at the Akropol [Hotel] shows that the party machinery, which was given timely notice about the plans of this leader, is no longer giving him its support.

Of course, since at this stage what Kastro is giving priority to is hunting for votes of every provenance and hue, PASOK's left-wing leanings and its plans, which are ruinous to private enterprise, are being carefully concealed. On the contrary, the confusing and disorienting of the people is being engaged in, with schemes which are unprecedented in the history of political morals and which literally suggest shady dealings.

The Ruse by Mavros

This sort of thing is being observed in the astonishing and unprecedented ruse by the man heading PASOK's Euro-ticket--that is, by the presumed leader of the election campaign--which consists of his taking positions entirely contrary to the positions of his party and his chairman.

But Papandreou not only is not indignant at this dissidence, which insults the intelligence of the voters, but on the contrary is encouraging it at the same time that he himself is taking the most "left-wing" and severe of positions. For example, last Monday G. Mavros, as the head of PASOK's Euro-ticket, gave an interview to the ELEVTHEROTYPIA at which he responded to the question of whether after his election he will join the socialist group of the European Parliament or will remain independent by saying that in the European Parliament he will cooperate with the socialists in support of our country's interests, but he will be a part of the centrist camp.

It is recalled that in the European Parliament the centrist camp signifies at bottom the liberal and democratic parties, with leaders such as the Englishman David Steel, the German Genscher, and the Italian Spadolini. On the one hand, in the economic sector these parties are fanatic defenders of the free-economy regime, and on the other hand in the field of foreign policy they are in favor of the stationing of the missiles, and day after day they condemn the posture of the USSR on the questions of Poland, Afghanistan, and so forth.

At almost the same time that Mavros is proclaiming, certainly sincerely, his liberal ideals, Andr. G. Papandreou is stating at Helsinki that PASOK is not a bourgeois party and that it has similarities on many matters with the non-bourgeois parties--that is, the communist parties! And returning to his severe pre-election positions, he said: "We are not social democrats, but socialists. We do not want to salvage capitalism by improving certain circumstances."

And furthermore, Mavros gave the following bold reply to the question: "In your opinion, is there a chance of Greece's withdrawal from the EEC?":

"There is no possibility of any withdrawal from the EEC, either for Greece or for any other of its member countries, however great may be the differences which exist among the members of the EEC."

At the same time, Andr. G. Papandreou and his colleagues are proclaiming from all the balconies that the accession was disastrous for the country, and they call for a utopian and unattainable special relationship between Greece and the EEC.

Of course, for PASOK "the end justifies the means," but many Greek voters surely will have been left dumbfounded because of these inconsistencies, which lower the electoral struggle to an unprecedented campaign of disorientation, the objective being to steal away votes.

12114

CSO: 3521/265

REASONS FOR UNDECIDED VOTERS

Athens POLITIKA THEMATA in Greek 8-14 Jun 84 p 15

[Article by Kyr. Khinas and M. Toumasis]

[Excerpts] Consistent experience from previous elections and recent reliable polls concur in certifying that the undecided voters will determine the outcome of the Euro-elections. This is a manifest certainty. But what does "undecided voter" mean and what class characteristics and social, economic, and other features does he have? Unfortunately the Greek parties neither support nor promote such scientific analyses, and for this reason there is an information gap concerning this subject.

Although we have only a limited space for this column, we will briefly give our view: For us, it is natural for there to be undecided voters. Factors which contribute to this are:

- a) The changeable and capricious Greek mind, which frequently leads him to resolve things at the "last moment."
- b) The increased pursuit of profit and advantage in our age, which compels some people to wait for eleventh-hour promises before they settle on the party which they will vote for.
- c) The desire of many people to be always on the side of the victors, which obliges them to wait until the final moments in order to find which way the scales are tipping.
- d) The ignorance and indifference of quite a few people with regard to political developments.
- e) The irresolute attitude of some people following their disillusionment with the party which they voted for recently.
- f) Certain special political circumstances which cause the voters to ponder over whether they will vote for the party they are in sympathy with.

How will the undecided voters finally vote in these elections? What positive factors will carry weight with them in deciding for PASOK or for the ND? We have related briefly below certain opinions concerning this.

POLITICAL

GREECE

BRIEFS

AGREEMENT WITH CSSR ON REFUGEES--Deputy Social Insurance Minister Kaklamanaki said an agreement has been concluded with the CSSR for the payment to Greece of \$24 million for the inclusion of repatriated Greek political refugees in the Greek social security system. [Text] [NC051819 Athens Domestic Service in Greek 1400 GMT 5 Jun 84 NC]

CSO: 3521/268

ARCAYUREK URGES QUICK END TO POLITICAL INQUESTS

Istanbul MILLIYET in Turkish 7 Jun 84 p 7

["Impression" column by Cuneyt Arcayurek: "Sponging Over"]

[Excerpt] Interesting developments were observed in political backstages following the President's latest "monthly" meeting with Grand National Assembly President Necmettin Karaduman.

These observations gained even more importance after certain rumors that may directly interest our political life were echoed in political backstages.

Assembly President Karaduman has for a long time been trying to make the assembly commissions work more productively. In particular, judging from the attention given by the President of the Republic to the laws that should be enacted at this period of the Assembly in accordance with the new Constitution, it appears that efforts to place Assembly operations in a new orbit will intensify after comparisons of lists in connection with these laws are completed.

All these are, of course, developments that should be viewed positively from a perspective of introducing a certain speed to the lawmaking function of the Assembly.

However, in recent days, Mr Karaduman has been insisting on making operational the commission that will examine the "former politician files" which have remained bogged down in commissions for years and which were not brought to light even during 3 1/2 years of military rule.

These files which cover 280 individuals call for inquests on former prime ministers and ministers on various charges.

Many serious doubts are now echoed in political headquarters following the Assembly President's meeting with the highest official in the country and his urgent call for the convening, today, of a "special commission" composed of six deputies and charged with examining these files.

As broader questions are asked about what is being pursued, there are increasingly persistent rumors to the effect that calls for inquests on several former leading figures will be taken to the floor of the Assembly and that after

a resolution is passed to open inquiries a decision will be made on who of those figures will be sent to the Supreme Court.

At a time when we have embarked on a new democratic phase, what benefit will come to the survival and prosperity of the new regime from pushing "old notebooks" into the political marketplace after so many years?

We hope that the sensibility required to answer this question dominates the administrative bodies and the deputies of the three political parties represented in the Assembly today.

Seeking ways of "sponging over" the past, as one official stated, rather than "refreshing" old inquest files will undeniably have a positive effect on our political life.

In order to provide comfortable room for the new democratic system to grow, the "special commission" set up for this matter must complete its work speedily and must "lay to rest" issues that have not been tackled by even 3 1/2 years of military rule.

9588

CSO: 3554/243

ILICAK ASSAILS OZAL OFFER OF FALSE HOPE

Istanbul TERCUMAN in Turkish 7 Jun 84 pp 1,10

[Editorial by Nazli Ilicak: "Are There Any Alternatives?"]

[Text] Turkey is going through a troubled period. The term "dire straits" has unfortunately become a permanent fixture of our political glossary for the past few years, and we still cannot see the light at the end of the dark tunnel. Even worse, it appears that in the time that has elapsed we have moved further into the depths of the tunnel rather getting closer to the exit.

There is a widespread feeling of hopelessness among the people and the intellectuals. The chief source of this hopelessness is the fact that inflation has not been stopped. Prices are rising at a maddening pace. Unemployment figures are unsettling. The peril of unemployment in Turkey looms even bigger as companies prefer to scale down their operations--let alone to make new investments.

Meanwhile, as a result of domestic unrest, the government is no longer able to project a stable image despite its majority in the Assembly. Even so, there are no alternatives to the Motherland Party [MP] in the parliament. There is a growing number of people in Ankara who argue that unconventional methods are the only way out.

Of course, no one expected that everything could be resolved in 6 months. But the evaporation of hopes and the emergence of concerns could not be prevented when a tangible deterioration became evident.

This is not the first time that we are witnessing the descent of a heavy feeling of pessimism on the footsteps of a great "hope" in Turkey. The storm of hope that caused ripples in city squares at one time has died down after 5 to 6 months and has left in its place a picture of poverty filled with shortages, queues and black marketeers.

After the election victory in 1983, some of us were overtaken by a feeling of elation that was remindful of the old days. Armfuls of promises were unloaded in the election campaign. Ozal was projected as the architect of the 1980 decisions and the man who could make the new economic miracle happen. We said at the time that a party is not a union of love, but one of beliefs and a fire of passion that flows from the past into the present. Ozal, on the other hand,

insisted: "We have no ties to the past; we have burned all our bridges." He neither opposed the purging of the past, nor appreciated the services of the past. Like Napoleon, he said: "Nobility begins with us." Like Mevlana, he opened arms to trends from all sides saying: "Come to us, no matter how you think and no matter who you represent."

He thus staked the fate of the party on economic success.

Yet, the problem should have been tackled from a perspective of democracy. One cannot get a right by adding up wrongs. First, the wrongs must be eliminated.

--Wrong is the quest for solutions outside of democracy.

--Wrong is the continual attrition of political cadres at certain intervals.

--Wrong is the transformation of politics into an extremely perilous and ungrateful profession, thus discouraging gifted people from taking part in politics.

--Wrong is the arbitrary purging of merit.

Many people, from businessmen to ordinary citizens, are asking us: "What will happen?"

The Motherland Party has roughly another 6 months. If during those months the current situation improves and events take a favorable course, the government can survive until the next elections. If the opposite happens or if present conditions persist, the Motherland group will be broken up, and efforts to form a national coalition within the Assembly will intensify. We believe that that would be the worst possible formula and that it should be carefully avoided. If the MP fails, solutions must be sought in early elections.

Thus, one possible path is the MP's success, and the other is early elections. The formation of alternative parties on the right or their revival with new cadres is important for the welfare of the regime and the resolution of the bottlenecks.

9588

CSO: 3554/243

MUMCU WARNS OF POLITICAL OPTIONS THAT SOW DIVISION

Istanbul CUMHURIYET in Turkish 7 Jun 84 pp 1,11

["Observation" column by Ugur Mumcu: "Wrong Question, Right Answer"]

[Text] These days two issues need to be particularly emphasized.

One of them is whether everyone who is critical about the implementation of the Constitution and the economic model wants "to return to the pre-12 September period." The other one is about what is offered and what is not by the efforts in the parliament to set up a "government of national unity."

Let us first discuss the former:

Before 12 September, Turkey stood on the threshold of a civil war. The parliament and the political parties had stopped functioning. Aside from the parliament, many other institutions had also become unable to perform their duties and to exert their authority. Terrorism had eradicated basic rights and liberties, and widespread acts of violence had devastated constitutional order.

Why would anyone want to return to an environment where an average of twenty people were getting killed for political reasons?

Anyone who longs to return to such conditions must either be blind or deaf or without feelings. Only those who want to set up a dictatorship using violent means in order to fill a power vacuum can have desire to return to such an environment. No one who wants to see the restoration of democracy in this country on strong foundations can wish for such a climate.

If those who fought most vigorously against the terrorist organizations and the arms smugglers collaborating with them before 12 September criticize the Constitution, the government policies and the economic model today, should that be considered as a "desire to return to the pre-12 September period"?

In a democratic country, no law can make anyone legally liable to "like a constitution" or to "support an economic model." Constitutions and laws are obeyed, but the expression of views advocating changes in the constitution and the laws through constitutional means cannot be prevented. If an electoral majority votes for parties that want to change certain provisions or most of the constitution, then the constitution can be changed by democratic means. The

constitution itself provides for this recourse. What is criminal is "attempting" to change the constitution by unconstitutional and violent means.

Indisputable views and "official ideologies" are only peculiar to totalitarian regimes.

If the economic model is not debated, if alternative models are not formulated and if the country's intellectuals are prevented from exercising their most natural rights, then new ideas and solution methods cannot be generated in the country. Silence and sterility can hurt the future of democracy in the country.

Just as spring will not come with a single flower, there can be no democracy with a single voice or with voices with similar tones. Democracy, by its nature, needs a diverse range of voices and colors.

The current Constitution does not conform with the diversity rule of a modern and pluralist democracy. We criticize the Constitution from this perspective, but we also try to resist as best as we can those who want to change the Constitution we are criticizing by violent means.

In this column, we frequently criticized the composition of the parliament that was formed after the 6 November elections. The election was held among only the three parties which were permitted to participate. As a result, it is hard to say that the parliament reflects what is known as the "national will", that is the will of the majority of the people. The local elections have shown that the electoral base of two of the parties in the parliament is on the verge of extinction.

When criticism is raised against the Ozal government, they ask:

"Are there any other alternatives?"

Yes, there are alternatives, and there are many of them. But these alternatives can only manifest themselves in a general election. Would it not be a kind of "fatalism" to dismiss criticisms on grounds that there are no alternatives in the parliament?

We may be critical of Ozal, but we also believe that efforts in the parliament to set up a "government of national unity" as an alternative to the Ozal government are harmful to the future of democracy. Such coercions can lead to "premature births" in politics. Have we not seen with painful examples the consequences of premature births in the recent history of our political life?

Furthermore, it is well known that [former Prime Minister Bulend] Ulusu, whose name has been raised in connection with these efforts, is strongly opposed to such formulas. It also seems clear that Populist Party [PP] leader Necdet Calp would not support such a coalition under any conditions "other than early elections."

Authorized councils of the PP have declared that they do not support such efforts. The Nationalist Democracy Party, on the other hand, has sharply criticized these moves.

Then where have these rumors been emanating from?

These rumors emanate from aspiring individuals who "identify their personalities with the moral characters of the ministries."

The Motherland Party [MP] must implement this economic model to the very end, and groups within the MP must make every possible sacrifice to enable their party to implement this model to the letter. Opposition parties, on the other hand, must seek ways of offering effective opposition in the parliament. The issue is that simple.

No one wishes to return to the pre-12 September period. No one expects the MP to be forced to step down by artificial means and coercion.

"Do you want to return to the pre-12 September period?"

"No."

"Are you seeking an alternative to Ozal within the Grand National Assembly?"

"Again no."

So far, always the wrong questions have been asked. With wrong questions being asked, the answers produced deceptive consequences.

First, one must look at who is asking the questions and why.

9588

CSO: 3554/245

SODEP'S INONU ON CRITERIA FOR 'NEW GOVERNMENT'

Istanbul CUMHURIYET in Turkish 7 Jun 84 pp 1,7

[Excerpt] Ankara--Social Democracy Party [SODEP] leader Erdal Inonu said in a statement yesterday on the occasion of the first anniversary of the establishment of his party that new governments cannot be set up with parties that have lost their electoral base and added: "We believe that the failure of the policy implemented by a government to produce the positive results that were promised does not mean that the policy has to be changed immediately." Stating that in the event the government does not wish to pursue its policy further it is necessary to establish a government which has not lost electoral support across the nation and that this is one of the prerequisites of democracy, Inonu said: "If such an arrangement cannot be made, then the only option left is early elections. Elections before the end of normal term of office can be held only if the government wishes so."

Noting that SODEP received plenty of attention from the people during and after its formation, Inonu attributed this attention to the people's wish to have a contemporary social democratic party in the Western sense. Declaring that he is happy not to have disappointed this attention and trust, Inonu said that they could not deliver what they promised at the beginning because they were barred from entering the elections and that, despite all these hurdles, SODEP emerged as the country's second largest party and "main opposition party" after winning 23.4 percent of the vote in the local elections.

In the second part of his speech, Inonu criticized government policies and said that inflation could not be rolled back by tight money policies, price hikes in SEE [State Economic Enterprises] goods and services and depressed worker wages and agricultural subsidies and that the nearly 50-percent inflation that has resulted is disappointing. Stating that the government has paid very little attention to social programs outside the context of economics, that unions have been waiting for months to obtain authorization documents for collective bargaining and that no concrete measures have yet been announced to combat unemployment, Inonu expressed misgivings about the closure of municipal [price-regulated] food stores. Charging that the "unsportsmanlike garments" worn by young men and women at 19 May [Youth Day] ceremonies contravene the traditions of the republic and that the Ankara Municipality's decisions concerning the Lausanne Field and the Hittite Monument contradict the Atatürkist view of culture, Inonu called on sensible individuals in all parties to be cautious in order to prevent democracy from getting bogged down in new impasses. Inonu

said: "The ruling party, in particular, has a major responsibility to prevent the spread of this tendency whose serious drawbacks we experienced in the pre-12 September period."

Emphasizing the wrongness of government assistance to political parties, Inonu expressed the hope that rumors to the effect that two-thirds of this assistance will be given to parties which took part in the general elections and the remainder will be given to parties which took part in the local elections turn out to be untrue.

Charging that appointments to public offices have been made on a partisan basis, Inonu stated that the greatest partisanism can be observed in the attitude of the Turkish Radio and Television which still acts as if SODEP did not exist. He said: "If the second largest party in the country cannot appear on state television for one reason or another, then this means that one of the basic elements of democracy is missing."

Inonu focused the last part of his speech on recent efforts in the parliament to form a new government and said that his party remains outside these quests and activities, because it has no representatives in the Assembly.

On this issue, Inonu said:

"We believe that the failure of the policy implemented by a government to produce the positive results that were promised does not mean that the policy has to be changed immediately. In democracies, ruling parties are given the opportunity to implement their policies within a specified electoral period. Normally, voters decide whether the government's policies have been successful or not during elections to be held at the end of this period."

Stating that the current situation in Turkey is not one that is considered normal in democracies and that these conditions are forcing people to think about other arrangements, Inonu expressed the hope that such quests will always be in harmony with the sound development and normalization of democracy.

Inonu said that in the event the government does not wish to pursue its policy any further it is necessary to establish a government which has not lost electoral support across the nation, that new governments cannot be formed with parties that have lost their electoral base and that this is one of the prerequisites of democracy. Inonu added: "If such an arrangement cannot be made, then the only option left is early elections. Elections before the end of normal term of office can be held only if the government wishes so."

Stating that he does not think it is proper to amend the Constitution before even a single electoral term has expired, Inonu said:

"We see the period we are in more as a time of defending democracy than one of transition into democracy. When we propose legislation to change our democratic life we see those changes within the framework of the current Constitution. It is within this framework that we are trying to form a government which will rescue the economy from stagnation, which will develop our social and cultural life and which will make our people happier."

YAVUZTURK ON ARMED FORCES, DEFENSE POLICY, INDUSTRY

Istanbul MILLIYET in Turkish 31 May 84 p 9

[Interview with Minister of National Defense Zeki Yavuzturk by Nilufer Yalcin in Ankara]

[Text] In disclosures to our paper on various defense issues, Minister of National Defense Zeki Yavuzturk said: "Before the summer recess begins, we will pass through the Assembly a bill which will reduce military service in Turkey to 18 months, which will cut the waiver payment for military service to 15,000 deutschemarks and which will increase the drafting age of medical doctors from 31 to 33. We are planning to submit the draft bill to the Office of the Prime Minister this week."

With regard to the escalating war in the Persian Gulf, Yavuzturk said: "Turkey's intervention in the region is out of the question. In any event, such an intervention was not discussed at the meeting of the NATO Defense Planning Committee. On the issue of the replacement of the nuclear warheads in Turkey with more modern and powerful warheads, the minister said: "Nothing has been discussed about nuclear weapons as related to Turkey since the time I started serving in this government. The issue was not discussed at either the cabinet level or at the NATO meetings I attended."

In response to our question about the details of the draft bill envisioning to reduce military service to 18 months, Yavuzturk said:

"The draft bill is ready. We will submit it to the Prime Minister's office this week. I am hoping that the bill will pass through the Assembly before the summer recess."

"Aside from reducing the duration of military service, the bill also envisions cutting the monetary waiver for military service to 15,000 deutschemarks."

"Moreover, we are offering a one-time amnesty to citizens who are over 31 years of age, who reside abroad and who have not applied to waive their military service as a result of their preoccupation with serious business. Those who wish to take advantage of this amnesty offer will be drafted into the army if they apply to waive their military service."

"Furthermore, the cutoff age for medical doctors to apply for military service will be extended from 31 years to 33 years."

"In conjunction with the reduction of the duration of military service to 18 months, draft registration will be held four times a year instead of the present three. People who are drafted after the bill becomes law in June will be subject to these new provisions."

Question: Are there any plans for new legislation to raise the salaries and fringe benefits of the Turkish Armed Forces personnel?

Answer: No, a separate law is not necessary. Because the Assembly has already passed an authorization bill envisioning the adjustment of the salaries of the public servants. This law applies to all personnel covered by Law No. 657 on Public Servants and all military personnel covered by Law No. 926 on Military Personnel. No distinctions will be made between civilian and military personnel in the wage adjustments to be made.

Question: Is there any work under way within NATO or in the government in connection with reducing the size of the Turkish Armed Forces?

Answer: No. Such an issue has not been discussed either in the government or in NATO since I started serving in this government. For us, this is not just a matter of defense prerequisites, but also one of raising the knowledge and training level of Turkish youth, increasing the literacy rate and other similar social benefits.

Question: In view of the escalating danger of war in the Persian Gulf, was a prospective role for Turkey officially or unofficially discussed in NATO?

Answer: No. The Persian Gulf was not on the agenda of the NATO defense ministers at the meeting of the NATO Defense Planning Committee. In any event, Turkey's involvement in such an intervention is out of the question. In view of the fact that the Persian Gulf is outside NATO's defense perimeter, this issue was not raised at the Defense Planning Committee meeting.

Question: Was the issue ever raised at your meeting with the U.S. Secretary of Defense?

Answer: We only discussed the issue of military assistance with the American Secretary of Defense. The Secretary explained to us the stance and the mood of the U.S. Congress and stated that the Reagan administration is determined to provide assistance to Turkey.

Question: The U.S. Congress continues to prune the [military] assistance package to Turkey. Is it known how far our defense needs will be affected by these cuts?

Answer: I do not think that U.S. military assistance will be cut back too much. Some compromise will be found. We have clearly stated that we will not accept the establishment of a link between assistance and the Cyprus issue. They know our position.

Question: Even so, if Congress insists on a large cut, are there any preparations under way to review our commitments within NATO?

Answer: We cannot work on the basis of assumptions. If they decide on a large out, then we will take the necessary decisions and review the situation. Our allies are aware of and appreciate Turkey's importance and the burdens of its commitments within NATO.

Question: The Netherlands previously agreed to the deployment of 48 cruise missiles on its soil, but now that has led to a political crisis. Was there any discussion at the latest NATO meeting to deploy these missiles in flank countries?

Answer: No. These missiles are important for the defense of Central Europe. They have nothing to do with flank countries.

Question: At the Nuclear Planning Group meeting in Izmir in early April, a member of the U.S. delegation disclosed that discussions were under way to modernize nuclear warheads and launcher systems in Turkey. The Turkish press reported this disclosure. What are the latest developments in this area? How much will the new warheads cost?

Answer: On the issue of nuclear weapons, nothing has been discussed so far in connection with Turkey. No such discussions were held at the cabinet level. It is true that certain contacts occurred among technical people, but the issue was not brought to us.

Question: It is known that following the agreement to build F-16 planes in Turkey talks are under way--with the Germans in particular--to build a tank industry in Turkey on a partnership basis. Are there any plans to assemble and build Leopard tanks in Turkey?

Answer: Turkey is highly advanced in the area of tank modernization. In our Arifiye and Kayseri facilities, a certain capacity level has been achieved in terms of installed tooling machinery and technology. We can go into production with that capacity. Work is under way in connection with building tanks.

Question: Three proposals were submitted in connection with building military transport aircraft. Which of the three appears to be more attractive to you?

Answer: The proposals on the military transport aircraft are being studied. We have a joint investment requirement on this issue. The studies may reach a conclusion within 5 to 6 weeks.

Yavuzturk added that no final agreement has yet been reached and no decisions have been made about the joint production of Rapier missiles with Britain and the purchase of a second consignment of rockets.

9588

CSO: 3554/238

ILICAK COUNSELS ALTERNATIVE POLICY AS SAFETY NET

Istanbul TERCUMAN in Turkish 3 Jun 84 pp 1,10

[Editorial by Nazli Ilicak: "Otherwise You Know Who Will Come"]

[Text] Trying to calm down Motherland Party deputies with conciliatory words during his meeting with them, Prime Minister Turgut Ozal did not forget to issue a small warning by saying: "Otherwise you know who will come."

It is a painful fact is that there is no alternative to the present government. We are using the term "painful" because, while the lack of alternatives is a good trump card in the hands of those holding the reins of power, such a situation can only be damaging to Turkey. It is always necessary to have the means to open up valves and to channel the air flow in a new direction at times of crisis.

Lack of alternatives means hopelessness. We all know the quests that hopelessness gives rise to and how roads seemingly leading to salvation end in disappointment.

The mainmast is burdened with problems. The hardships of trying to make a living have broken everyone's back. Every day, it is becoming increasingly evident that the high interest rate policy is not helping to reduce inflation and that, on the contrary, it is having a negative effect on prices by causing cost inflation. Those in the West who used to talk about the "1980 economic miracle in Turkey" have started changing their tone.

As if the failure on the inflation front was not enough, the export balloon has also burst causing a loud explosion. The fact that most of the growth in exports has resulted from sales to two countries alone has given rise to serious doubts. A comparison of the January-March quarters of 1983 and 1984 shows that, of the \$496 million rise in exports, more than 50 percent (\$287 million) has resulted from exports to West Germany and Switzerland.

While the failure on the inflation front is evident and while debates continue about the success of exports, the hardships of making a living have reached a critical level. Workers have been given raises on the assumption of 25 percent inflation in 1984. In the face of price increases reaching as high as 50 percent, the worker will get a little bit more impoverished. Cost of living

indexes show, on the other hand, that the condition of the public servants has been steadily declining. Many shopkeepers have had to shut their stores before selling a single item.

Today, everyone sincerely wishes that Ozal succeeds. But those who realize the gravity of the helplessness Turkey may suffer if Ozal fails are hoping for the emergence of new alternatives. The rationale for this quest can be found in Ozal's warning: "Otherwise, you know who will come."

9588

CSO: 3554/241

ILICAK, TOKER ASSESS IMPACT OF EXPORT POLICY FAILURE

Istanbul TERCUMAN in Turkish 29, 30 May 84

[Article by Nazli Ilicak "Exports Have Become Imaginary"; passages enclosed in slantlines printed in boldface]

[29 May 84 pp 1, 10]

[Text] The honorable Premier says that */"imaginary exports"/* should not be unduly exaggerated. And Kaya Erdem at the Chambers Association meeting uses very learned language. But we cannot help wondering whether the government may not have some responsibility for the event getting out of hand?

Foreign Trade and Treasury Adviser Ekrem Pakdemirly kept feeding to the computer the export figures that came through the Central Bank and had been seeing for some time the abnormal bulge of exports directed toward certain countries. As a matter of fact, a computer was not needed to perceive that bulge. When comparing the figures with those of the preceding year the difference became clearly apparent. In the exports made in */January, February and March/* to Germany, Holland, the U.S. and Switzerland great leaps appeared whereas the size of our trade with other countries did not increase to the same extent; on the contrary, a regression was even registered in our exports to some countries.

In the January to March 1983 period our exports to */Germany/* had jumped from */\$195 million to \$349 million/*, our exports to */Holland* from *\$30 million to \$57 million/* our exports to the */U.S.A.* from *\$75 million to \$102 million/* and as for those to */Switzerland* from *\$73 million to \$206 million/*. Against that, we had reached the point of selling fewer goods to Italy and England.

As for the threshold of April, when tax refunds were going to decrease and the period for going over the \$50 million target would come to an end, a big explosion in our exports becomes striking. The \$713 explosion of which the honorable members of the government spoke with self congratulation took place in March. When figures are scrutinized according to countries they show that while */\$65 million/* worth of goods were sold to Germany in March, suddenly the size of exports rises to */\$142 million/*. In the same way the value of exports to Holland in March 1983 is */\$10 million/* and */\$28 million/* in March 1984; our exports to the U-S. which are */\$10 million/* in March 1984 leap to */\$37 million/*; as for our exports to Switzerland, they rise from */\$23 million/* to */\$95 million/*.

In January and February also, although on a smaller scale than in March, there are similar developments.

The government ascertains this. Pakdemirli reads the figures on the computer and, furthermore, he can also see in greater detail the excesses according to the type of goods. But what else is done apart from pushing the firms into the lion's mouth and shaking their commercial prestige?

Who Is Responsible?

The imaginary exports controversy is not a new one. As a matter of fact, Premier Ozal, to forestall it, announced that export credits had been raised and that in April tax refunds were decreased. Will the responsibility for an already existing procedure which was in constant practice because of excessive incentives be loaded on a few firms? Will it be easy for the government to shrug off from its own shoulders this responsibility?

1. Why /(as in the rug and the ready-made industry)/ despite the fact that abuses in some items could be seen several weeks before, were not export-capital companies warned? Quite on the contrary, in various seminars, government personalities boasted about the increase in our tee-shirt sales.
2. While it was necessary to have exceeded the \$50 million target by the end of December 1983, did not the honorable Pakdemir, by extending the period first to the end of January and then by granting a new delay till the end of February and March, play an important part in "abetting the offence?"
3. Why were no measures taken quickly to decrease the tax refund on items on which it was claimed abuses were committed?

The Quarrel Flares Up

The government first created an exporter-industrialist conflict and while it raised to the skies the big export firms which would develop activities on the model of Japan it constantly criticized our industries which were /"established the wrong way"/ and were /"unable to work in a productive manner."/ Now, while letting the ax fall on the Japanese model, they are fanning a quarrel between exporters. To put it mildly, a sour note has arisen between the 9 big exporting companies under suspicion and the other exporters who are /"immaculately clean."/ Because of the decrease in tax refunds the producing exporters too who raised the outcry, feeling confident of being proven right, in the fight they are waging against the big exporting firms have raised their voices even higher. As a matter of fact TISK [Turkish Confederation of Employer Unions] President Halil Narin, in the statement he made to the BULVAR, criticized the fact that because of big men's mistakes little men were being punished and he spoke as follows:/"According to the latest declarations of the export-capital firms it becomes apparent that they take the premium for exports they did not make. They speak to the effect that 'Should we be the ones to control the exporters who send goods abroad thanks to us' and they thus confess that they take a premium for efforts they did not make. The tax refund incentives must be eliminated."/

Economic development requires time. Sensationalist behavior is harmful to our economy. But unfortunately the government has allowed such a climate to develop and made exports vulnerable to gossip.

[Article by Metin Toker in the column "From Metin Toker's Notebook": "Imagination and Reality."]

[Text] For a number of days now Turkey has been shaken by an "imaginary exports" storm. No one can dispute the importance of exports with regard to Turkey's economic policy. And, undoubtedly, encouraging exports is a must for economies such as Turkey's. It is a fact that this storm generates a great deal of discontent in all the fields of export and has very negative effects. However, to attempt because of this to put a lid on it is a position which it is difficult to understand. Because just as there is immoral behavior going on, there is also a behavior promoted by laws and authority that encourage immorality make it in fact an unavoidable rule. In order to stop it at this point it is necessary to face the problem and if some heads must fall, let them fall.

Since 1983, under the name of 10% supplementary tax refunds, additional money is paid to firms which make \$30 million worth of exports. Under the new export system firms which make \$50 million worth of exports have been granted the monopoly of imports from countries of the Eastern bloc. This is not an incentive it is an instigation to make unfair profits. Because what about the "10% supplementary tax refund?" With all the incentive measures the exporter makes profits in any case. If his capacity is 1 million he exports that much worth of goods, if it is 10 millions then he exports that much. Whoever exports 10 millions worth of goods will make 10 times more than someone who exports 1 million's worth and whoever makes 30 millions worth of exports will secure a profit 30 times higher. If there is a possibility of making 50 millions worth of exports this does not mean that exports will not be made just because 10% more money will not be given out...

The businessman's aim is to make money.

But when the system was implemented and the \$50 million target was made even more attractive, what happened? The size of exports did not increase, the small import-export firms began to send goods through the big monopoly firms. That is to say the big export-capital firms and the small import-export firms reached an agreement which was legally acceptable but morally unacceptable. And so they set out to extort money from the state which they shared among themselves.

It transpires that roughly speaking 8% goes to the one who does the exporting and 2% to the one who lends his label. Furthermore, figures rounded in that way made it easier for the 2/percenters to secure the right to make imports from countries of the Eastern bloc.

The businessman's aim is to make money. When a capital-export firm is bent on this course, for even the most high-minded of its competitors to stay away from it is not viewed as morality but as idiocy or ineptitude by the standards of the business world. If you set such a rule would you be entitled to expect any other kind of behavior from the business world?

There is no doubt that the saying "imaginary exports" is wrong. Reality is: "exports of an imaginary value." And, according to the morals of the business

world this is immoral. Even if one could accept that big capital firms do not take this route in their exports is there any possibility or even any benefit in their controlling other exports?

The businessman's aim is to make money.

The Ozal government's image of being very close to several well known business circles and even firms gives, beside its economic dimensions, another dimension as well to this occurrence.

No one should disregard the sensitivity of public opinion on this subject. The businessman's aim may be to make money but public opinion views this nation as a democracy and is accordingly sensitive to and demands its rights.

12278

CSO: 3554/233

MOVE TO PUT 'SEE' RAW MATERIAL PRICES UNDER STATE CONTROL

Istanbul DUNYA in Turkish 7 Jun 84 pp 1, 9

[Article by Yucel Gurtekin: "Call for State Regulation of Price Hikes"]

[Text] Constant price hikes on products of the State Economic Enterprises [SEE], the producers of industry's basic raw materials, fan inflation, sending it upward, while industrialists whose production depends on these materials but who cannot carry their cost increases over to the prices of their own products are put in a bind. Industrialists are calling for discipline of the SEE's to prevent price increases and for state regulation of high and "arbitrary" price hikes imposed by them. They say that practical solutions are necessary immediately to prevent higher inflation and to bring idle capacity into production.

Stressing that it was not right for the SEE's to raise their prices continuously and irresponsibly, Refik Baydur, chairman of the executive board of the Turkish union of chemical, rubber and plastic industry employers, pointed out that allowing these establishments to set their own prices and keeping market prices down were mutually exclusive and remarked that this was why price increases could not be prevented. Baydur summarized the negative effects on the market of the constant price hikes on SEE products in this way:

"The rise in input prices for integrated facilities causes a rise in price of the businesses which depend on them. Moreover, the rising rate of inflation increases wage demands in collective contracts. And this causes inflation, and the vicious circle starts all over again.

"The government, though deregulating management of the SEE's, must not allow price increases not justified by cost. The SEE's ought not to expect a high rate of profit and must carry over to prices only the cost element needed for investment and financing expenses."

Arbitrary Imports

Stressing the need for attention to be paid to heightening inflation during collective bargaining and subsequent periods, Baydur said that it would be appropriate to give consideration to prohibiting the "haphazard and arbitrary" importation and sale of foreign-made consumer items in particular as a measure to prevent a market squeeze. Refik Baydur called also for the government to conduct its economic

policy so as not to cut off the dialogue with small business, tradesmen, workers, industrialists and exporters. Practices after the fashion of "standard operating procedure" would bring more harm than good, he said.

Atalay Sahinoglu, member of the Istanbul Chamber of Commerce board of directors and general manager of Kurt Textiles Marketing Company, said that prices would rise steadily as long as the SEE problem failed to be solved. He called for state regulation of price hikes on various products, particularly food and industrial raw materials. Sahinoglu expressed his views on present economic policy and its consequences as follows:

"It is too early yet for the new government's economic policy to produce definite results. However, every sector of society is reacting to the constant increases in the indicators. The most important cause of the price increases on the market is the SEE's. As long as the state cannot resolve the SEE issue, these establishments will constantly raise their prices to avoid going in the red, and this will adversely affect the economy. In my opinion, the latest SEE price hikes were higher than necessary and were an attempt to cover present and possible future deficits. Price hikes on SEE products other than consumer-oriented goods such as industrial inputs directly affect the marketplace and cause steady rises in production costs. The industrialist, with this kind of rising production costs, is put in a bind by low domestic demand and shows decreasing confidence in the economic policy."

Contending that the economic system would run more smoothly if the government could control the SEE's, Sahinoglu said that it would go a long way towards solving the problems of these enterprises to consolidate the profitable SEE's and the non-profitable ones and, then, the private-sector businesses dependent on the SEE's for the raw materials they use in production would be given a measure of relief.

Okkes Oztemir, general manager of Gumussuyu Carpets Corporation, said the government had launched a very stringent economic program and, noting that there may be some instability, commented on the need for patience to allow definite results to emerge. He said:

"In order to bring down the high level to which the rate of inflation has climbed, it is necessary to step up exports and bring idle domestic capacity into production. To take an example from my own sector, if I may, annual production in the machine-made rug sector is 12 million-13 million square meters. Factories active in this sector are using an average of 30 percent-35 percent of their capacity, but could raise the capacity utilization rate to 65 percent-70 percent. This would give a production increase equal to present production. By putting most of this production on foreign markets and some of it on the domestic market, domestic prices would come down as a result of available supply.

"If we were to make this a general practice in the other sectors, bringing idle capacity on line would increase production, bring prices down and, therefore, reduce rising inflation a bit. However, practical solutions for the utilization of idle capacity and especially elimination of the enterprises' financing squeeze are necessary."

Oztemir scored the SEE's as "children" which the state is now forced to take care of, noting that it would not be possible in the short term for the SEE's to operate at a profit despite the initiatives and resources given to them. He said these enterprises would be raising their prices for a while yet in order to cover their financing problems.

Beysan Keyder, general manager of the Celik Halat Corporation, said that industrialists were in a bind because they could not carry price hikes on raw materials over to their finished product prices. He said that deregulation of imports of finished products while restricting imports of raw materials made the industrialist's present problems worse. Noting that import liberalization had failed as a mechanism to prevent domestic price increases, Keyder said that strict controls on price increases on industrial raw materials should be instituted in order to ensure domestic market stability.

Erdogan Unlu, business manager of the Auer Corporation, said that implementation to date of the decisions adopted by the government had been negative. He said that the price of sheet metal, a major raw material in his sector of production, had doubled in one month and the additional price increases on shipping, liquid fuel and imported inputs had had a tremendous effect on costs. Noting that cost inflation had now become the rule, Unlu maintained that constant price increases prevented increased exports.

8349

CSO: 3554/247

ANTI-INFLATION GIVEN TOP PRIORITY IN 1985 BUDGET

Istanbul DUNYA in Turkish 7 Jun 84 p 1

[Editorial: "1985 Budget"]

[Text] The budget for fiscal year 1985 published in the RESMI GAZETE over Prime Minister Turgut Ozal's signature describes inflation as "the first and most important problem confronting the economy today." For this reason, it stresses that the 1985 budget will be "anti-inflationary first and foremost" and says that care will be taken in the spending policy.

The announcement reflects what was already known or expected as far as that goes. On the other hand, it also brings an approach requiring priority on investment policy and the part the state will play.

To wit:

"Another major problem of the economy is unemployment. The nucleus of this problem, which in its present dimensions can be fully solved only in the long term, is the gradual increase of the rate of development. Increasing the rate of development, in turn, requires reduced consumption and channeling resources into investment with a measure of rationality. Approaching it from this angle, the need for the 1985 budget to have a structure which holds consumer spending to a minimum and places priority on investments becomes automatically clear."

Placing priority on reduced consumption for the sake of higher investment may be criticized in a number of ways. One may rightly say, at least as regards reducing consumption, that society has "reached the limit."

What has gained priority here is not the hopes pinned on starving consumption to feed investment. It is first of all that the investments which were expected from the private sector in order to return Turkey to the growth process have been placed, at least for 1985, on the public sector agenda. In a way, the public sector's share in the economy will be voluntarily increased on behalf of the struggle with economic recession. This option has become inevitable despite its conflict with the present model which stresses private enterprise.

This inevitability derives not from the struggle with recession alone. The consequences of the policy of letting prices find their own level on the free competition market also figure in it.

The consequences related to the activities of the public economic enterprises have been instructive from the standpoint of the consequences of the use of the price mechanism. The constant increases in price of the goods and services produced by the public corporations from 1980 to 1983 have been the cause of a 197-percent increase in their sales income. The relative rejuvenation in production level doubtless also figured in this increase.

This increase has contributed to the improvement of the financial structures of the public economic enterprises. Payments for goods and services purchased during the same period rose 210 percent. Despite this, a little of the improvement in financial structure of the enterprises is attributable to wage restraints.

Now, it seems that we have embarked on a development trend at least for 1985 to diverge, however slightly, from the policy so far and return to measures to revitalize the economy through the public sector.

8349

CSO: 3554/247

OZARSLAN LAUNCHES SCATHING ATTACK ON MARKET ECONOMY

Istanbul MILLI GAZETE in Turkish 3 Jun 84 p 2

["Confirmation" column by Sadik Ozarslan: "Where is the Market Headed?"]

[Text] Has the market gone mad for Heaven's sake? Where is it headed at this galloping pace? No one knows where it is going. No one can reasonably predict the course of this mad-bull market.

This is supposedly called free market and free competition. Gentlemen, please stop the market; some of us wish to get off. There is frequent talk about free competition, but this devilish market does not tolerate competitors: It wipes out everything outside itself--including our pockets and wallets.

Take some time and look around. The market is lurching ahead like a rocket. It is a problem to catch up with it, let alone to keep up with it. Even catching up is a problem with the free market economy. In fact it is a big problem. Keeping up with the free market economy is even a bigger problem. We cannot catch up with it. If we could only catch up, we will try to keep up. But how can we keep up if we cannot catch up. It is always us who is behind. The market is always much further ahead of us. As they say, the kings move ahead of others. The market is just like a king. It will not let anyone touch a hair. It always looks down on us from high up. If I may be permitted to ask, who is this market working for? Why are thefts and embezzlements on the rise?

Have a look. I know what I get and what I spend. I know exactly what I will buy and when. I go to the market. What should I buy? But first, what can I buy? Squash is selling for 150 Turkish liras, green beans for 250. Everyone knows the price of dry beans. Those who used to despise dry beans should be ashamed. As if out of spite for them, dry beans know sit at the top together with other rich people's foods. You despise them, they look down on you from the top of the mountain. As for rice, praised be the one who can afford it. Even the imported kind is tough to buy. Only bulgur [cracked wheat] seems to be affordable. No, that, too, is on the offensive. They all seem to be racing one another, and those who want to catch up are about exhausted.

Where is the market going? Onions are soaring. Ditto for potatoes. Onions are reportedly expected to sell at 200 to 250 Turkish liras a kilogram. You may ask, what is expected to become of us? The market is free, the economy is free. We understand that, but no freedom has been left for us. We have no strength

left to compete with the market. We are not free, we are tied down. We are tied to a kilogram of rice or a kilogram of dry beans. In this free market, some are tied to the butcher, others to the grocer and still others to the produce vendor. Then we have those who are tied to sweepstakes, lotteries and soccer pools.

Everything is soaring in price, everything costs too much. A skinny bunch of parsley costs 20 Turkish liras; five heads of green onions costs 50 Turkish liras. You may underestimate greens and vegetables, but watch lettuce prices: A head may cost 100 to 150 Turkish liras. Do not think that I am talking just about myself. Everyone has the same problem. Talking about vegetables, I remember an incident. I met a friend in the market. We greeted each other. Then I asked him what he is buying. He said: "I am buying rabbit food; what else can we eat." I like his humor, but even rabbit food costs plenty. It, too, is keeping pace with the free market. It, too, has opened its eyes. It no longer wishes to be sold cheaply; it sells itself dearly--with success. We talked about rabbit food, but we did not touch on meat or milk. We could not have, because these items are untouchable. If you can find milk at 100 Turkish liras you should be more than happy. As for meat, you have to think in terms of thousands. Cheese, meanwhile, can only be bought by the gram. The same applies to olives, tea and sugar. This is how our life goes, friends. And if you have a child at school, practice laughing, singing and dancing.

The other day, I decided to buy some sunflower oil. I was shocked to hear that it cost 475 Turkish liras a kilogram. I thought the price should be 350 Turkish liras, so I did not buy it. A few days later, I was forced to buy it and I did. Though only a few days had elapsed, the price had gone up to 600 Turkish liras. May God help us. What kind of "leap", what kind of rapid growth is this? As we said, this is called free market. We still have not touched on clothing, or all of the foodstuffs. Take some time and look around. Once you see how much a pair of shoes costs, you will not be able to stop enumerating the "virtues" of free market economy. If you like, listen to the shopkeepers. They say that the purpose of mandatory invoicing is to insure control over them. They say that it is the consumer who will be hurt by that system. They, too, have their own problems and complaints. There are points on which they are right. They, too, must be listened to, and they must be given their due when they are right.

The market is soaring. Rents are soaring; electricity and water bills are soaring. Autumn will follow summer, and then winter will come along. Heating costs are also soaring. The average salaried person gets 20,000, maybe 30,000 or at most 40,000 Turkish liras a month. That will buy a ton of coal. What will that person do? Then, think about the unemployed, the disabled and the coffeshop clientele. What will happen to them? This market does not hurt Koc or Sabanci. In fact, this market is their own. They make the day, they harvest the crops. But what will the poor do? Where will this course take us? No, let the market not be free. Let it be put on a leash, and let no one complain about it.

END OF

FICHE

DATE FILMED

13 July 1984